

October 24, 2011

**Via ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

Re: *Notice of Ex Parte Presentation – Lifeline and Link Up*  
*WC Docket Nos. 11-42, 03-109*

Dear Ms. Dortch:

This is to notify you that, on October 20, 2011, Barry Ohlson and Grace Koh of Cox Enterprises, Inc., on behalf of itself and Cox Communications, Inc. (collectively, “Cox”), and undersigned counsel, met with Kimberly Scardino and Jonathan Lechter of the Wireline Competition Bureau’s Telecommunications Access Policy Division to discuss reform of the Commission’s Lifeline and Link Up support mechanisms.

In the meeting, Cox urged the Commission to work towards implementing nationwide duplicates and eligibility databases as soon as possible. Until the eligibility database is implemented, Cox argued that the Commission should not impose burdensome stopgap measures. To the extent that the Commission feels it must augment the current annual verification sampling requirements, the Commission should bear in mind the burdens on carriers and low-income consumers. Ultimately, these issues will be best addressed through implementation of the national eligibility database.

Cox encouraged the Commission to consider whether Link Up reimbursement continues to be a necessary or valuable use of government resources. As the Commission has observed, many providers today do not impose service initiation charges. Even providers that theoretically impose service initiation charges often waive them in order to facilitate customer acquisition. To the extent that Link Up support is not necessary to defray a real cost, the support would better serve consumers by being reallocated to a more productive use. If the Commission determines that Link Up reimbursement should be retained, it is essential that its continued operation not serve as a barrier to customers’ ability to switch providers. Current limitations on providing Link Up support at the same address create a competitive disadvantage for competing providers. Cox recognizes the need for economy in the program, but such a need cannot justify an anti-competitive policy that inhibits customer choice. In addition, any decisions regarding whether service initiation charges are eligible for Link Up must recognize that competitive carriers and newer entrants, including cable providers like Cox, are more likely than established carriers to

Marlene H. Dortch

October 24, 2011

Page 2

waive service initiation charges in order to win new customers. This should not be a basis for discrimination in whether Link Up reimbursement is available.

Cox also expressed its support for the implementation of broadband pilot programs. Cox also noted that its most recent comments in these dockets included a discussion of the Commission's authority to do so.<sup>1</sup> Cox briefly discussed its participation in an adoption program that may be a useful model for the pilot programs – the Computers for Families (“CFF”) program in Santa Barbara, California. CFF seeks to eliminate the digital divide by providing students from low-income families with refurbished computers, Internet access *and* training.<sup>2</sup> Since 1997, CFF has placed more than 7,000 computers in the homes of Santa Barbara County school children whose parents cannot afford to purchase these important learning tools. In addition, CFF trains teachers, students and parents to utilize computers and the Internet effectively to research, complete and post homework assignments, and to communicate through email. Computers are given to low-income students in the fourth grade and families can choose either dial-up or high speed Internet access provided by Cox at a 75% discount off of the standard rate. Cox has donated over \$1.5 million in discounted services to participating families as well as providing the cable modem, installation, and follow up technical service and support. It is likely that a government-subsidized adoption program will vary from CFF in several respects, but the success of the program may offer some useful lessons for the Commission.

This letter is filed consistent with the Commission's ex parte rules. Please let me know if you have any questions.

Sincerely,

/s/  
L. Charles Keller

cc (email): Kimberly Scardino  
Jonathan Lechter

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<sup>1</sup> Comments of Cox Communications, Inc., WC Docket Nos. 11-42 and 03-109, CC Docket No. 96-45 (filed Aug. 26, 2011) at 4-7.

<sup>2</sup> See also Letter from William Cirone, Superintendent, Santa Barbara County Education Office, GN Docket No. 09-51 (filed June 24, 2009).